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Roy Wenzlick
Editor

A concise easily digested periodic analysis based upon scientific research in real estate fundamentals and trends...Constantly measuring and reporting the basic economic factors responsible for changes in trends and values...Current Studies...Surveys...Forecasts

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REAL ESTATE ECONOMISTS, APPRAISERS AND COUNSELORS

POST-WAR TRENDS OF REAL ESTATE

IT has been the custom for many years for Real Estate Analysts, Inc., to publish around the first of the year a large chart showing real estate cycles and trends over a long period. The 1944 chart has just been delivered at our office by the printer and will be mailed out during the next week.

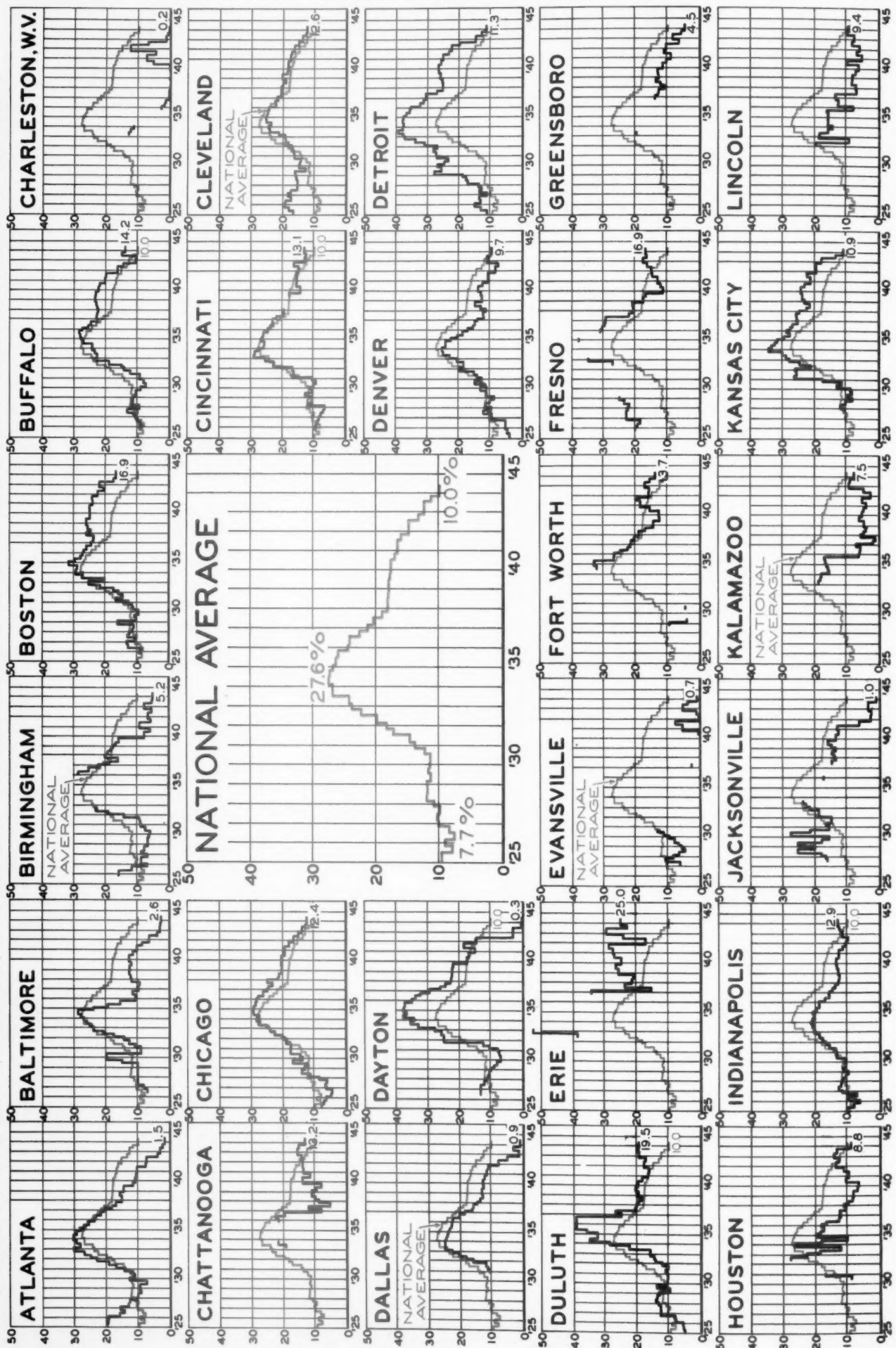
This year, in place of a single chart, each of our subscribers will receive two large charts, one 42 inches long by 24 inches high, printed in ten colors, showing the various component parts of the real estate cycle by months from 1850 through November 1943 in comparison with the factors of general business. This same chart shows a map indicating the average residential rent per month in every county in the United States. It also shows eight charts comparing the war and post-war period of the Civil War, World War I, and World War II to date. These charts cover real estate sales, wholesale building material prices, mortgage interest rates, wholesale commodity prices, residential rents, farm values, wages, and wholesale lumber prices.

The second chart, 22 inches by 34 inches, is a large map of the United States by counties showing population changes which have occurred from April 1, 1940, the date of the last federal census, to March 1, 1943. This is the period of the great war migration, and the chart should be of inestimable value to groups interested in post-war planning.

Any subscriber to our regular reports wishing extra copies of these large charts can get them at the special rate of 75¢ for the pair. Non-subscribers to our reports may order them at \$5 a pair.

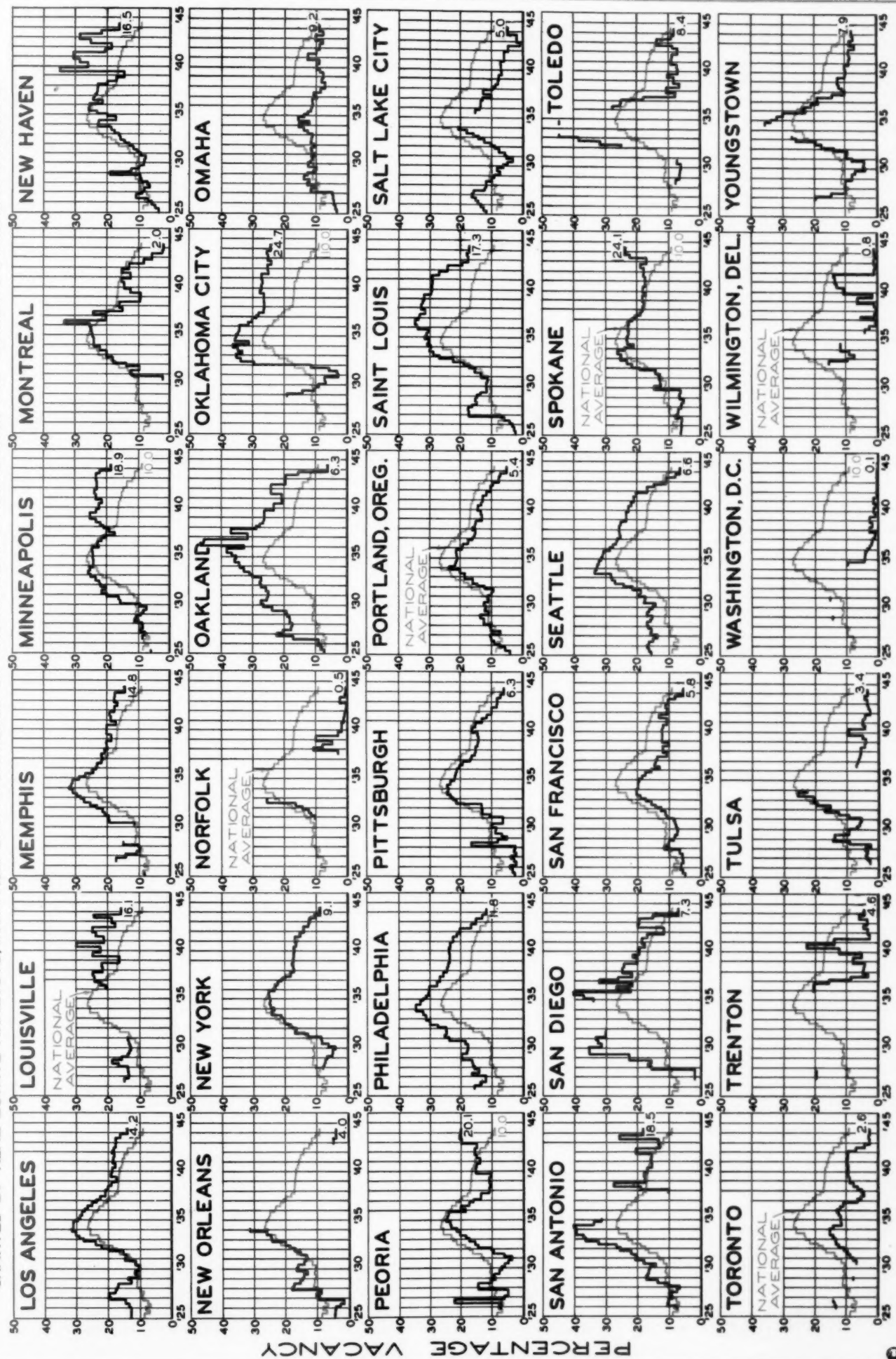
OFFICE BUILDING VACANCY IN PRINCIPAL CITIES

CHARTED BY REAL ESTATE ANALYSTS, INC. FROM DATA FURNISHED BY THE NATIONAL ASSOCIATION OF BUILDING OWNERS & MANAGERS



OFFICE BUILDING VACANCY IN PRINCIPAL CITIES

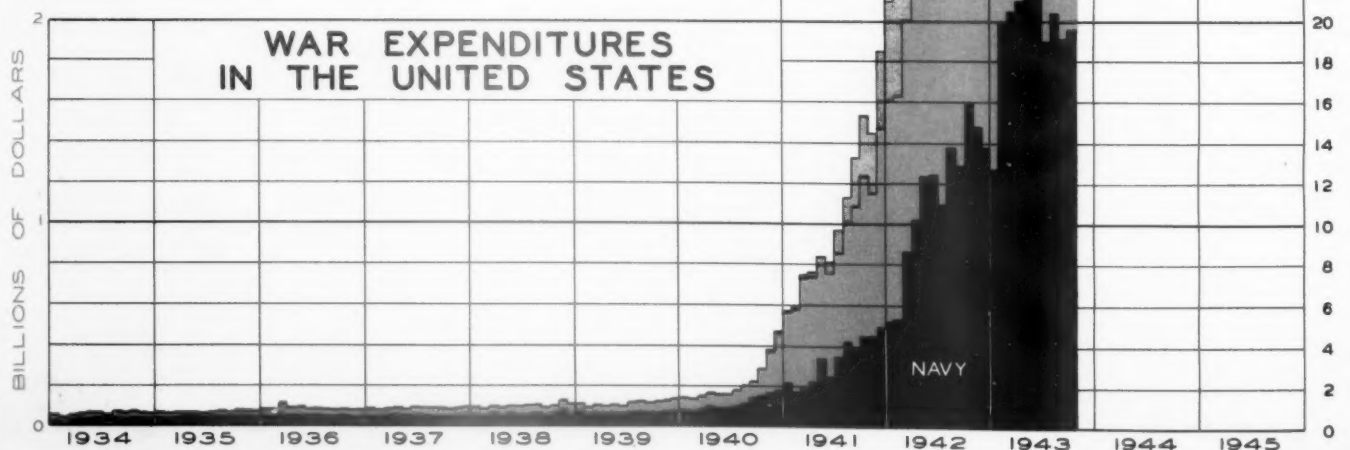
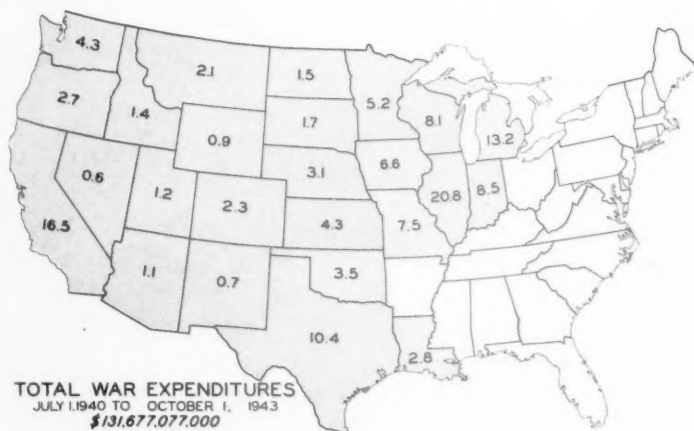
CHARTED BY REAL ESTATE ANALYSTS, INC. FROM DATA FURNISHED BY THE NATIONAL ASSOCIATION OF BUILDING OWNERS & MANAGERS



WAR EXPENDITURES

DURING October war expenditures totaled 6,989 million dollars. Of this, \$4,141,952,000 was for the Army, \$1,955,277,000 was for the Navy and \$891,771,000 for other war activities. Our total war expenditures from July 1, 1940, to the end of October 1943 totaled \$131,677,077,000. This is approximately 20 billion dollars more than the federal government spent for all purposes in the 144 years from 1789 through March 1933, including the cost of all wars, the Louisiana Purchase, the purchase of Alaska, the Panama Canal, etc. Spending at the present rate, by some time in the late spring or the early summer we will have spent since July 1, 1940, the date at which our defense program started, more than we spent in the preceding 155 years, including all of the large expenditures from 1933 to 1940.

The map below gives some idea of the vastness of these war expenditures. The National Industrial Conference Board estimated the total wealth of all States of the United States in 1937. The amounts expressed in billions are shown on the map. The shaded States total an amount equal to the war expenditures from July 1, 1940, to the present.



RELATIVE GAINS IN BUSINESS IN ALL PRINCIPAL CITIES

On pages 326 to 333 in this report appear business indexes for all principal cities of the United States, month by month, from 1919 to the present. These indexes are based on the volume of check transactions for each city.

All figures have been adjusted for seasonal fluctuations and are expressed in percentages above or below a long-term computed normal. The percentages above normal are shown by the black areas on the chart; the percentages below normal by the red areas.

We were apparently too ambitious when we tackled this series of charts as it has delayed the publication of this report by several weeks.

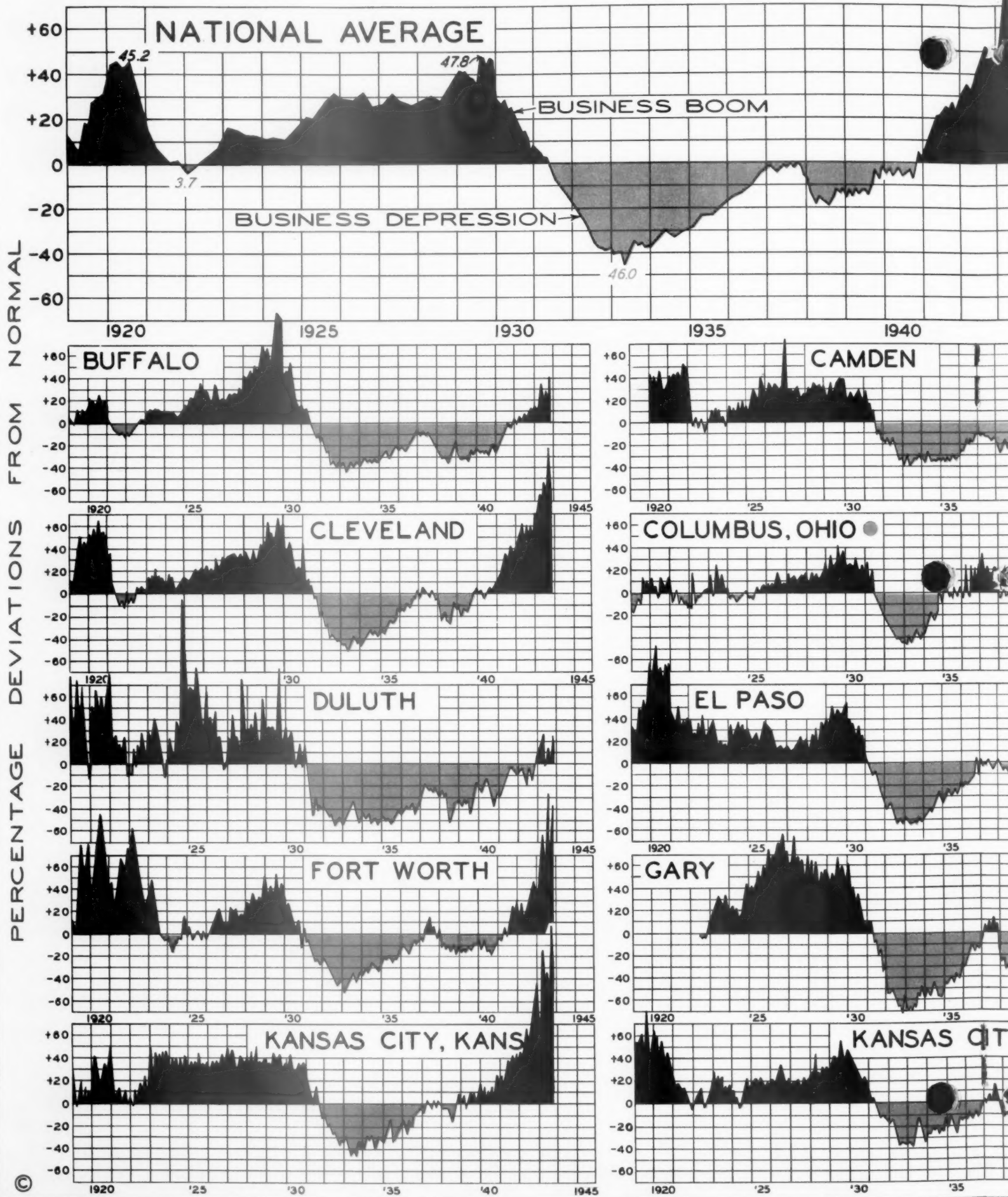
The large chart in the upper left-hand corner of the spread shows the average of all cities charted with the exception of those in which peculiar conditions have clearly destroyed the effectiveness of check transactions as an index of business conditions.

During the thirties the figures for many State capitals were badly inflated by government payments of various types which cleared through the local clearing houses. All State capitals on our charts are indicated by a red dot following the name of the city. We think that Albany, New York, forms a very good example of this type of city. From 1933 on, government payments clearing through Albany have distorted the curve to the point where it is of comparatively little value.

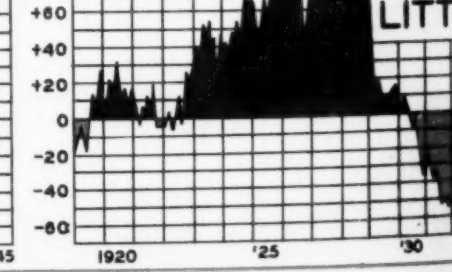
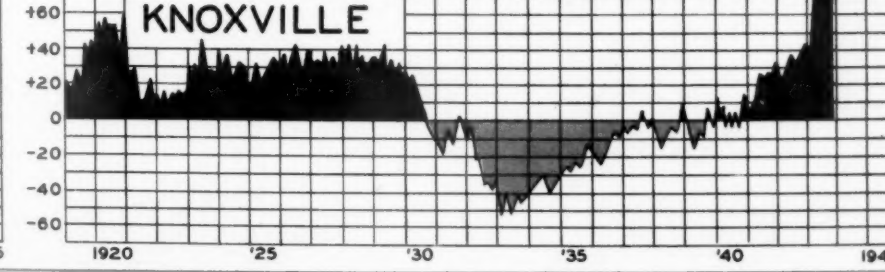
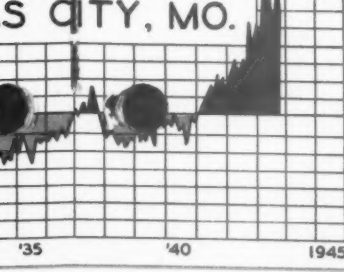
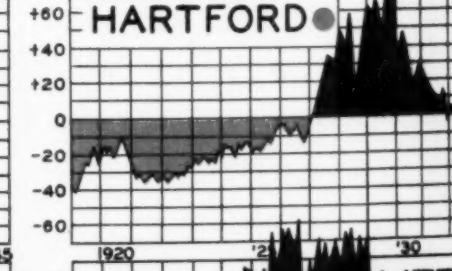
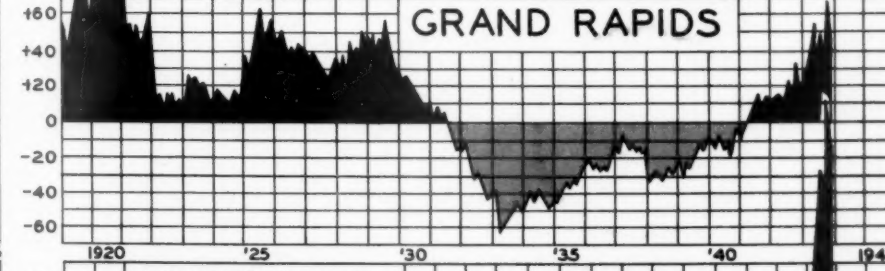
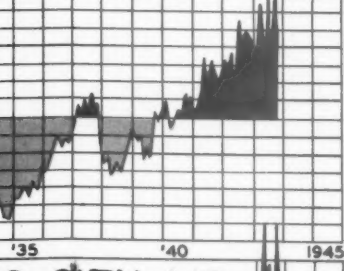
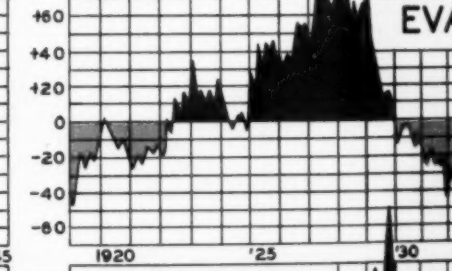
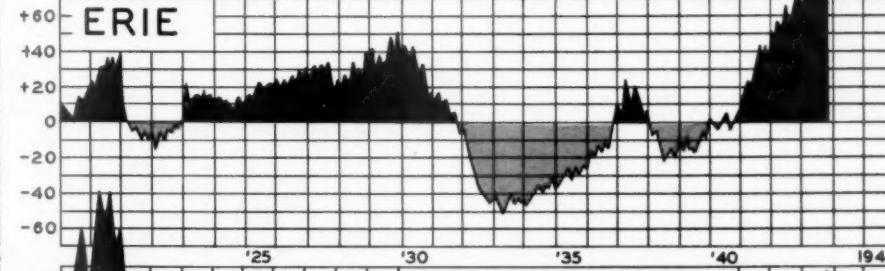
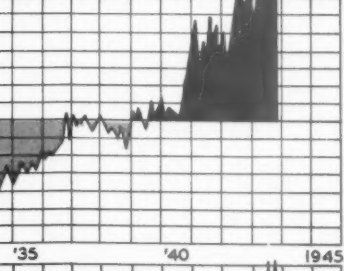
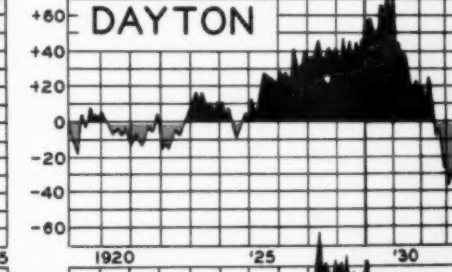
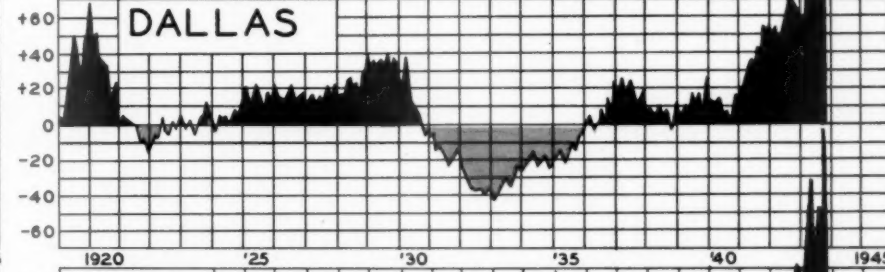
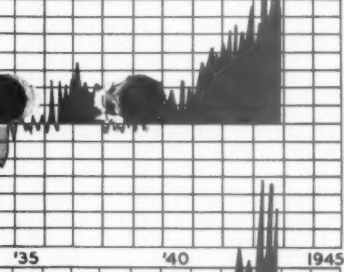
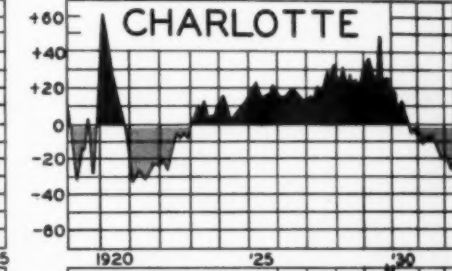
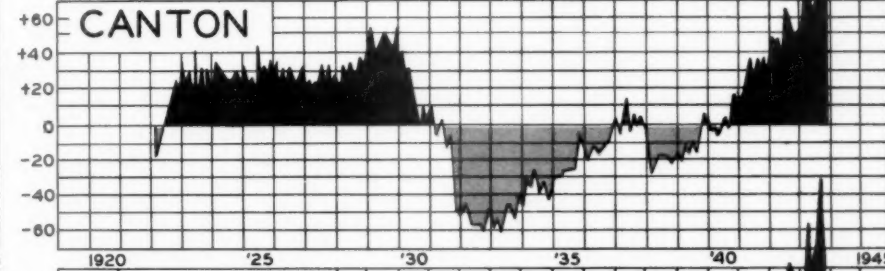
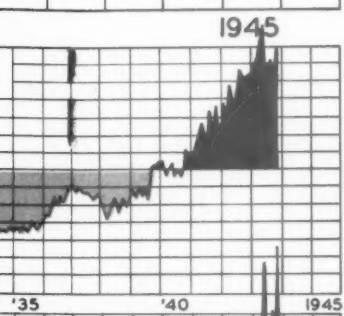
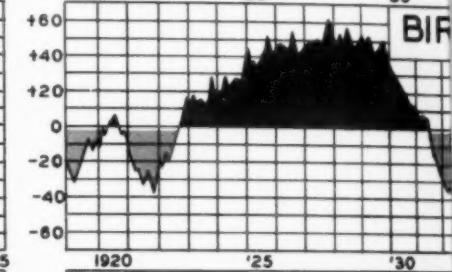
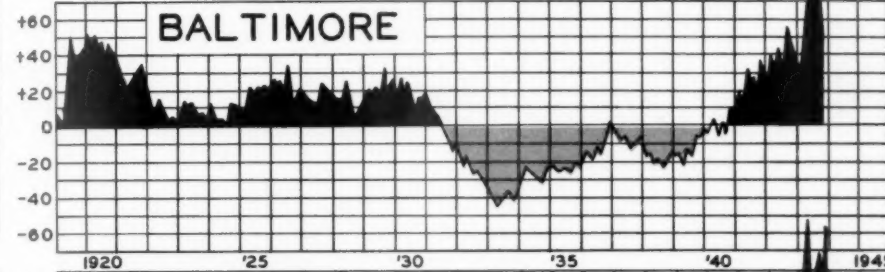
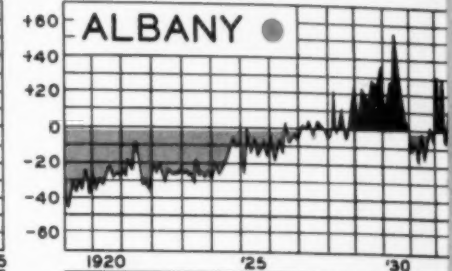
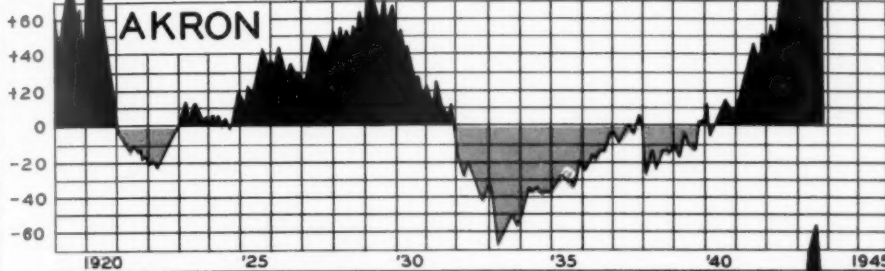
One factor that must be taken into consideration in the use of check transaction figures as a business index over a long period is that the dollar total of check transactions each month is affected by the changes in general prices, necessitating a larger or smaller dollar volume of check transactions to do the same volume of business. This will be noticed particularly on some of the charts in the years 1919 to 1920 when general prices were rising rapidly. It is also apparent in the price increases since 1940. In order to make mental adjustments easier in studying the charts for individual cities we have charted in the upper right-hand corner of this spread both wholesale commodity prices and the cost of living since 1919.

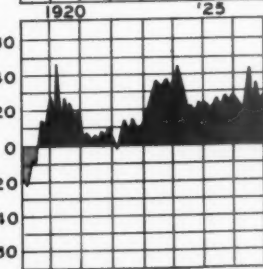
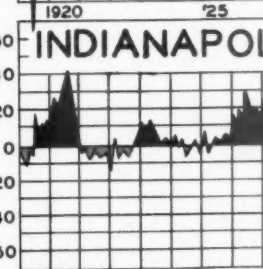
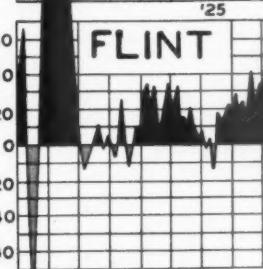
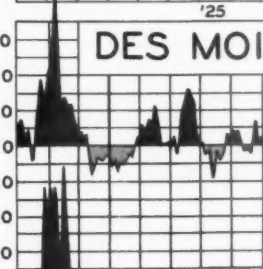
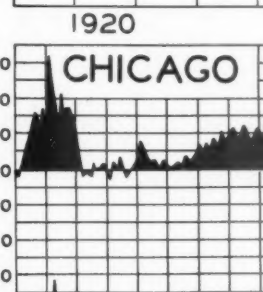
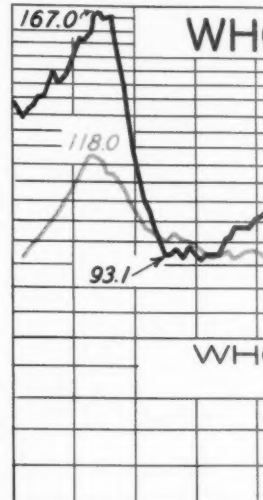
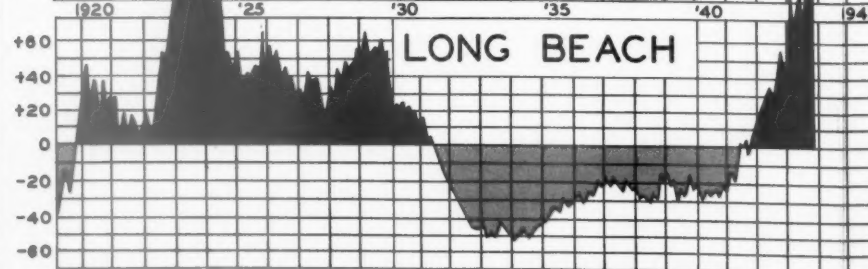
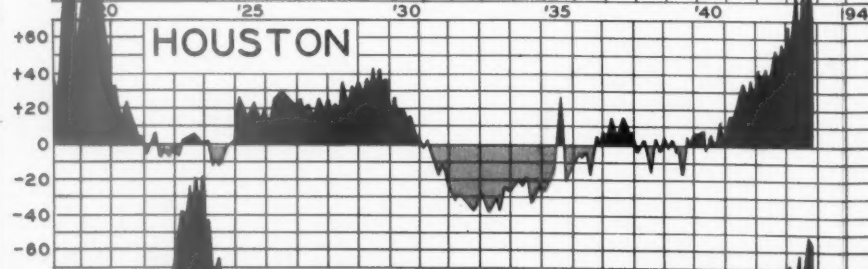
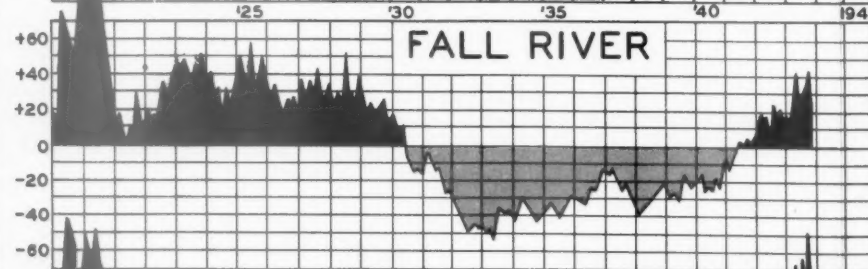
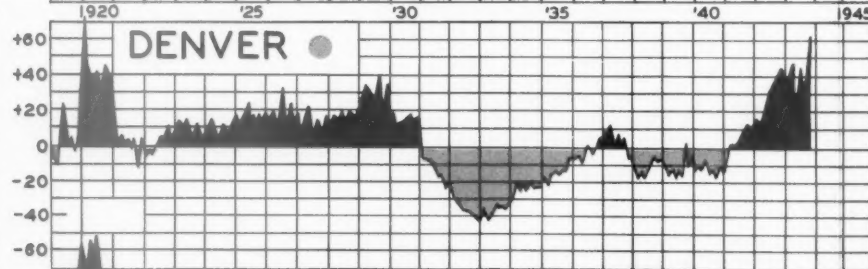
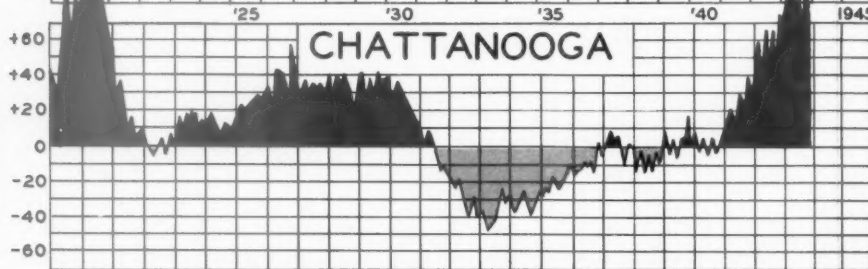
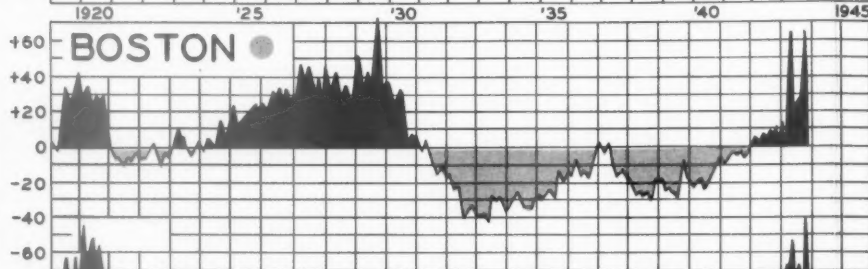
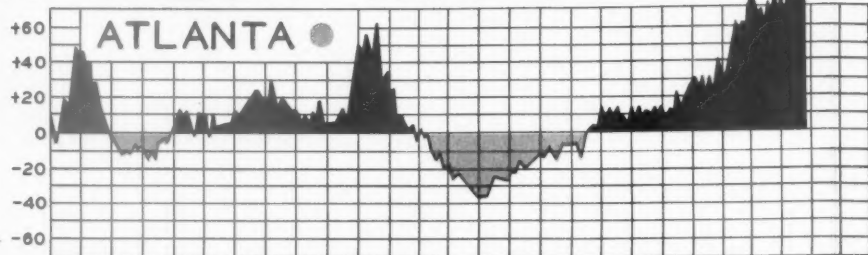
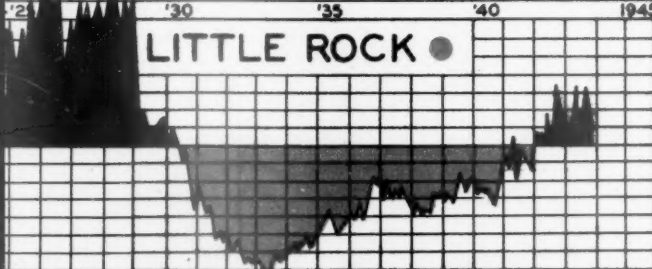
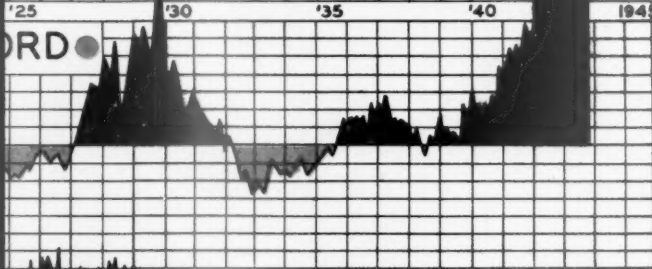
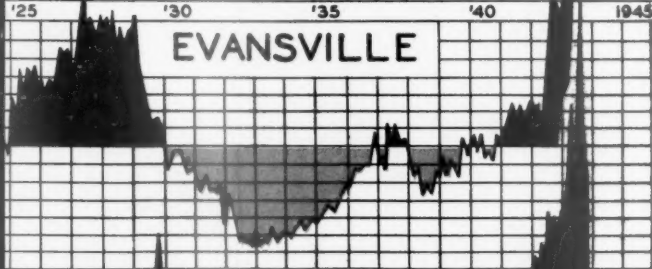
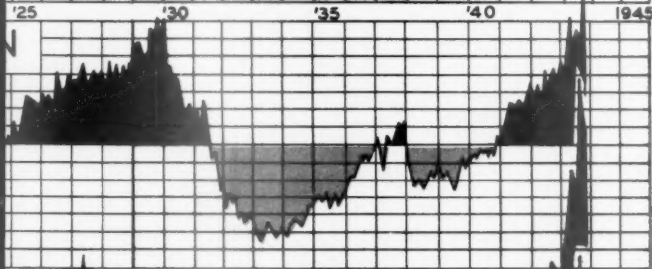
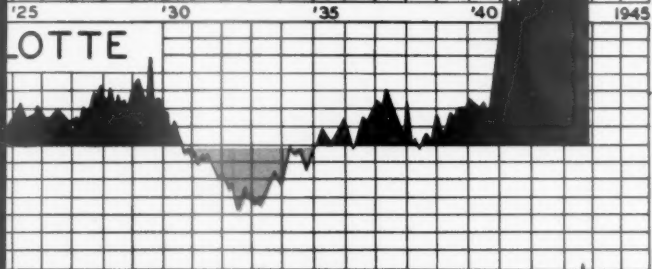
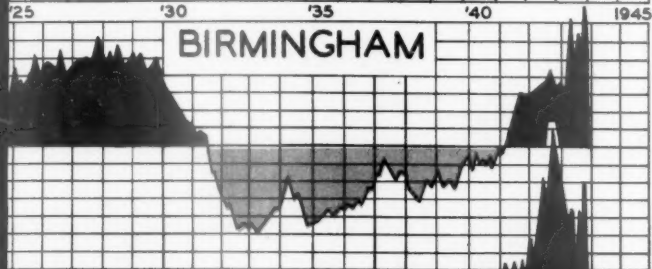
The charts themselves are more or less self-explanatory. It is very easy to pick out the cities which have been undergoing a great war boom. It is more difficult to estimate for the future which of these cities can convert a large part of its war activity to peacetime business. Undoubtedly many cities which have grown rapidly since 1940 will hold a portion of their gains. On the other hand, it is not at all certain that cities which showed relatively little gain since 1940 will now recover the position they lost when defense cities took the lead. We believe that this series of charts when studied in connection with the charts on the rate of population growth appearing in the September Real Estate Analyst can be of considerable value in determining how much momentum each metropolitan area has acquired and in estimating the possibilities of future post-war developments. Many cities which in the past have shown relatively little progress have been given a tremendous impetus by war activity and some of these cities will undoubtedly occupy a far more favored position five years from now than they would have, had no war occurred.

FLUCTUATION



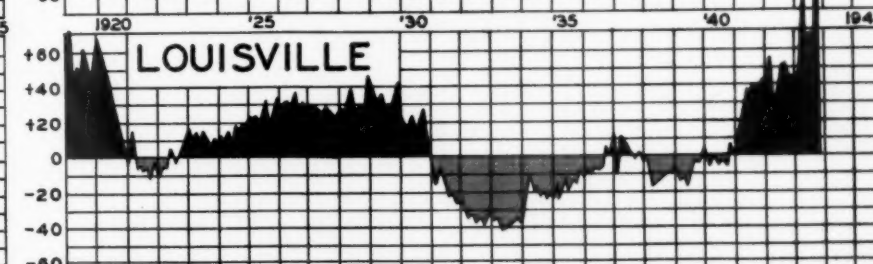
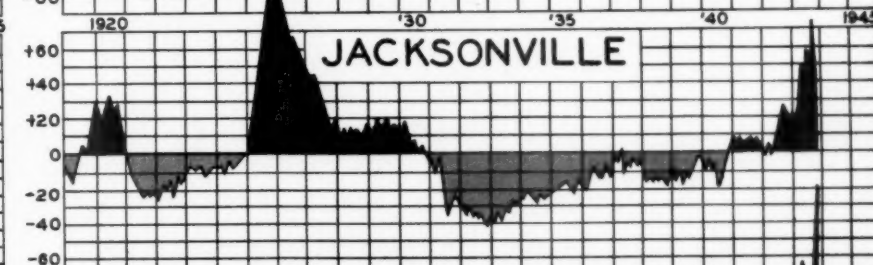
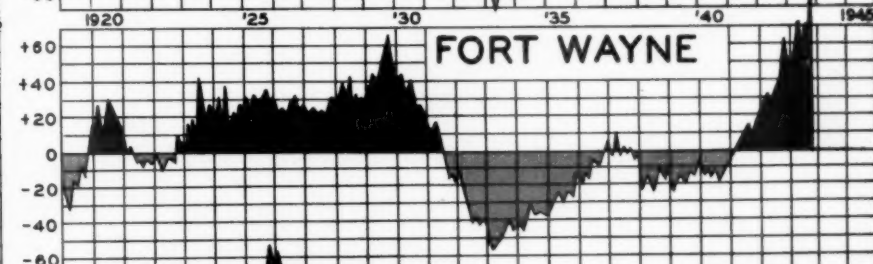
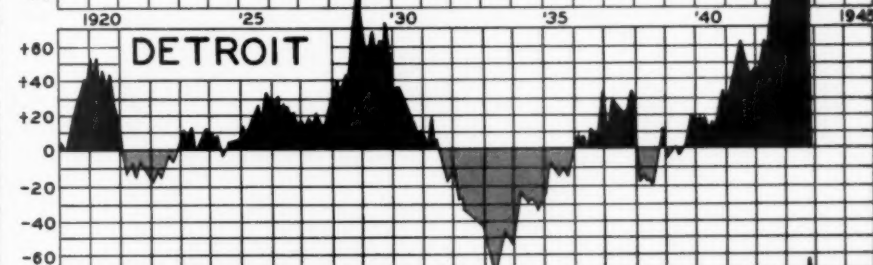
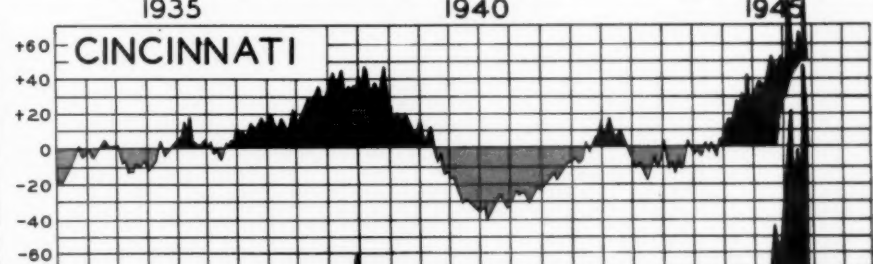
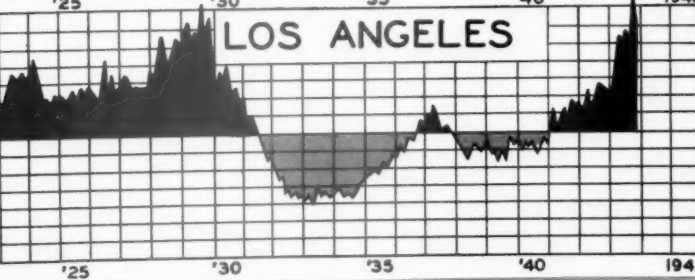
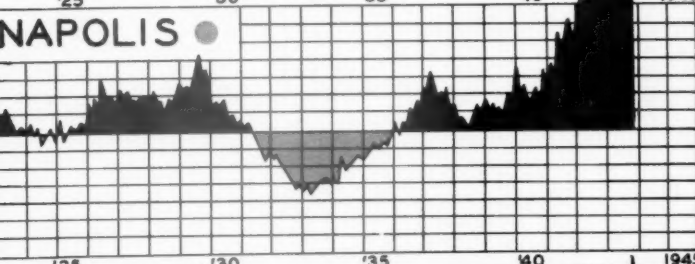
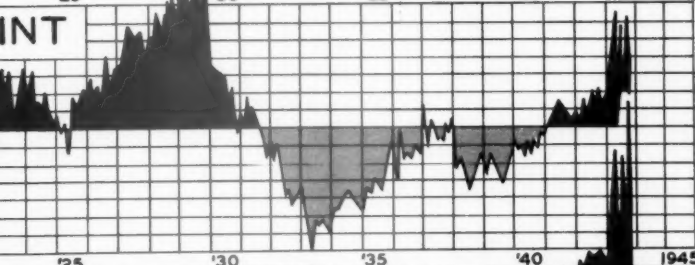
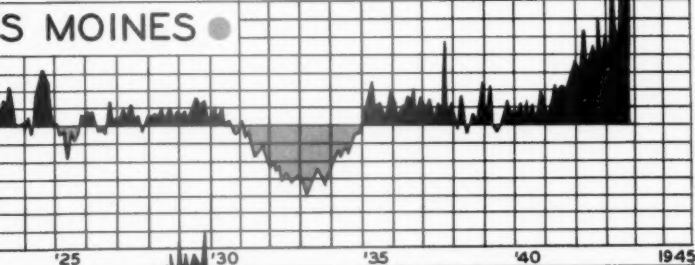
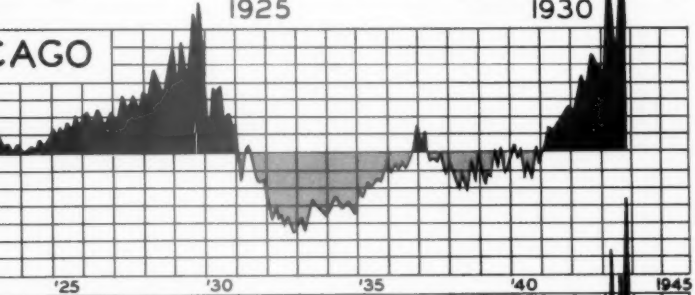
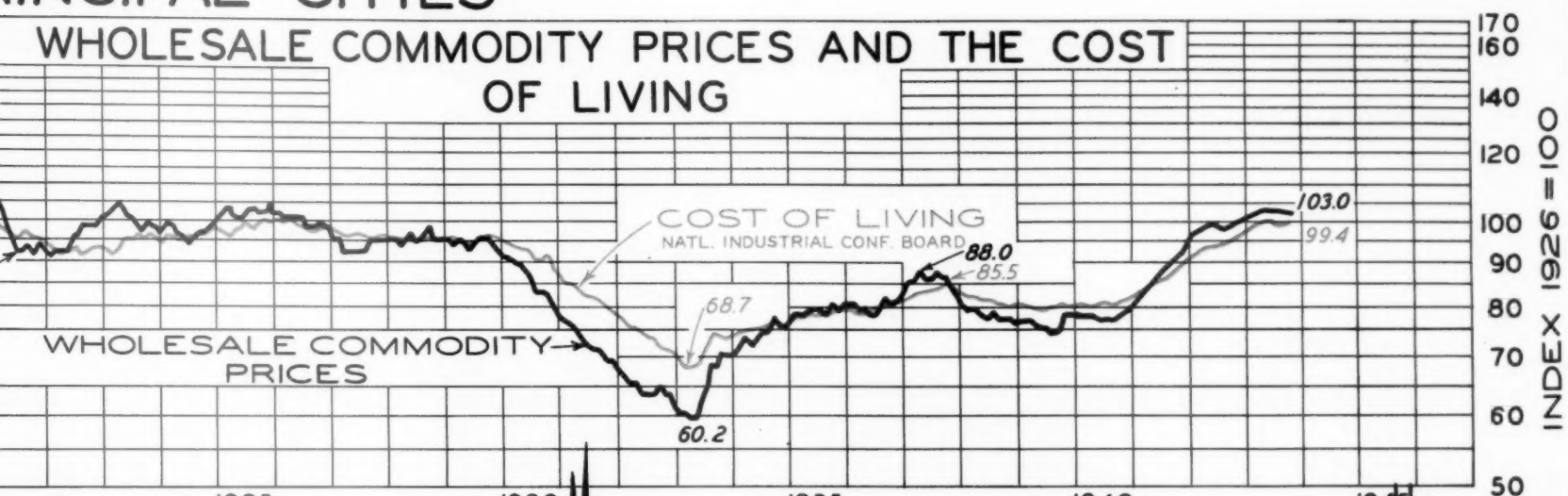
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PRINCIPAL CITIES

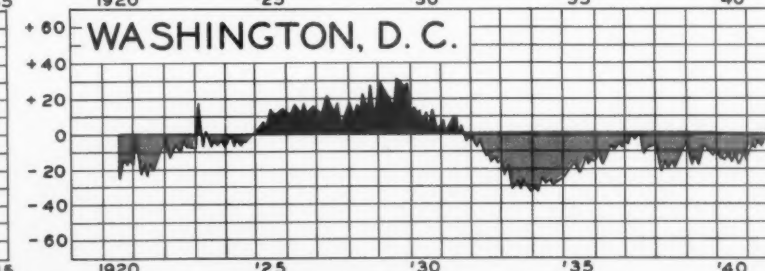
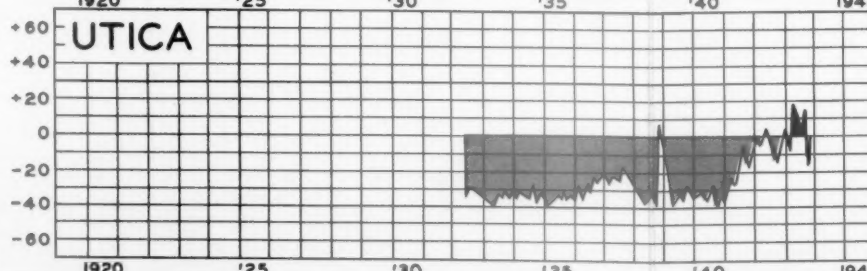
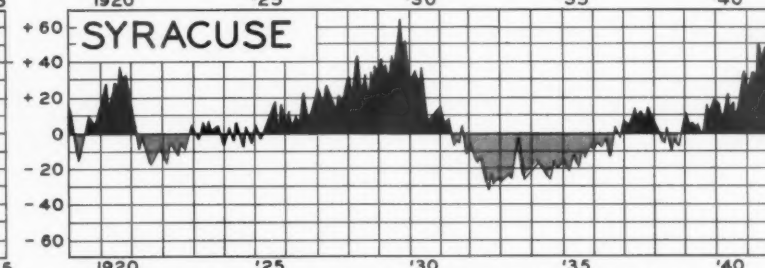
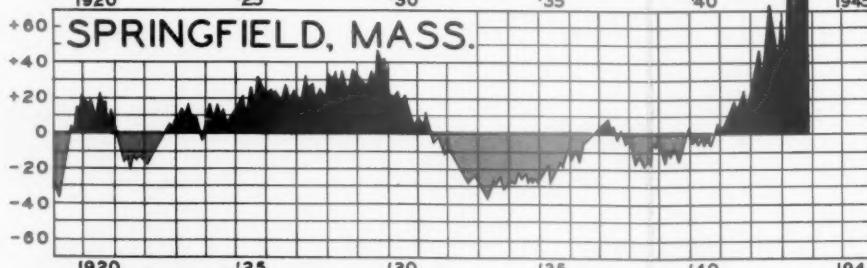
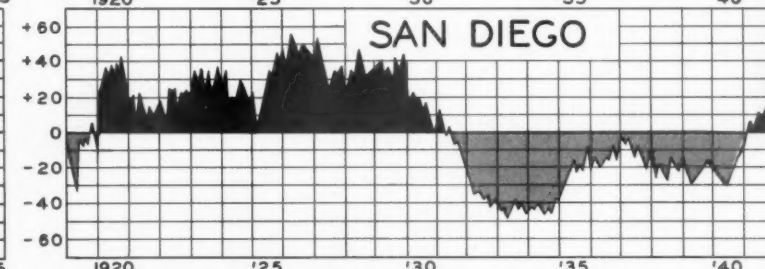
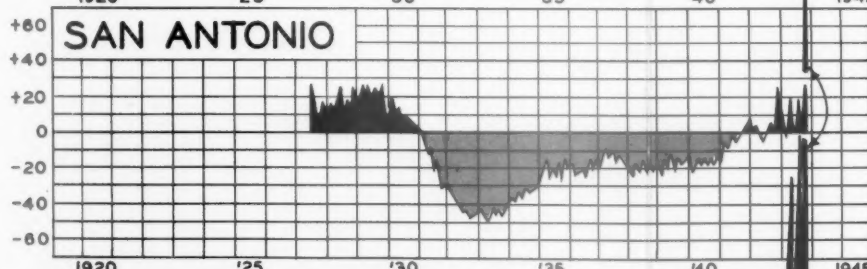
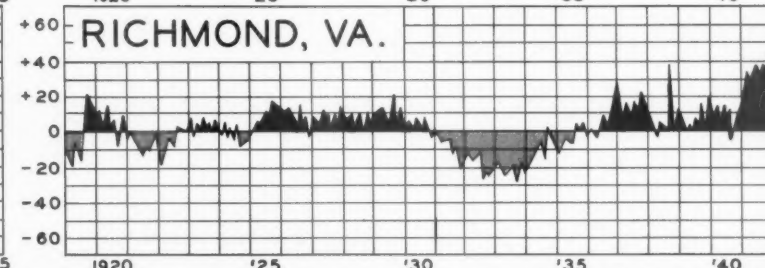
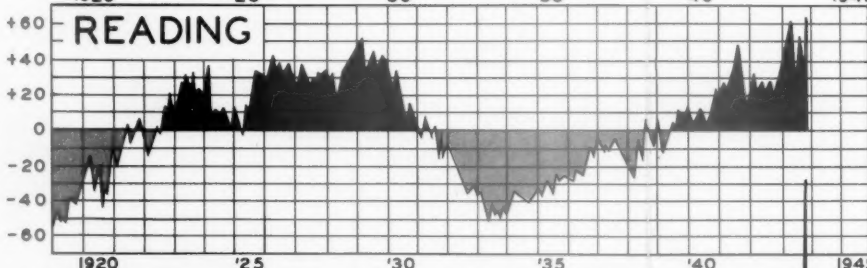
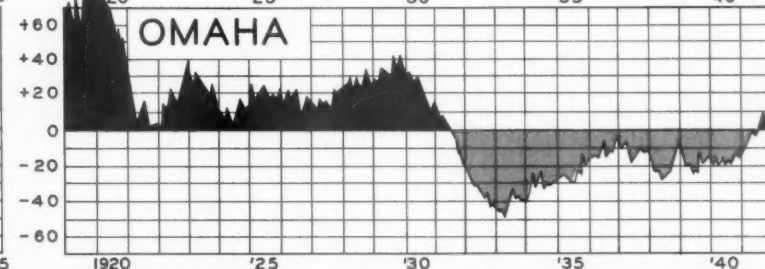
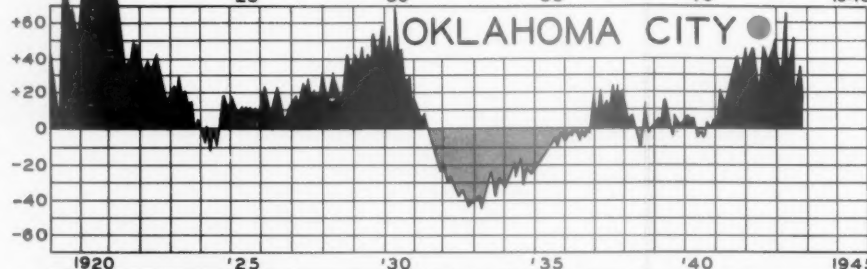
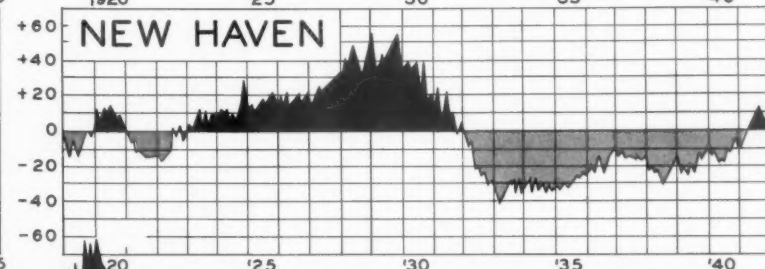
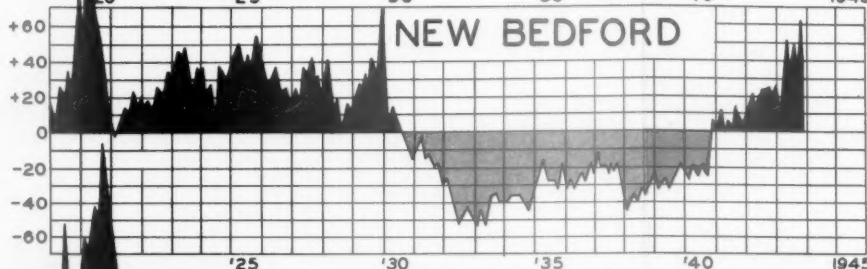
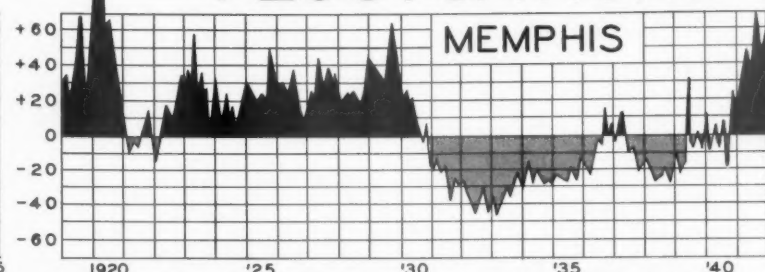
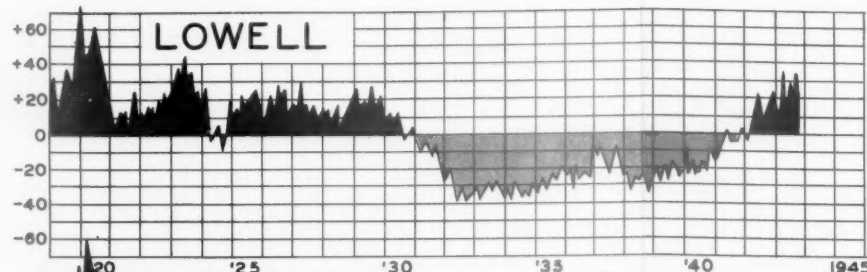
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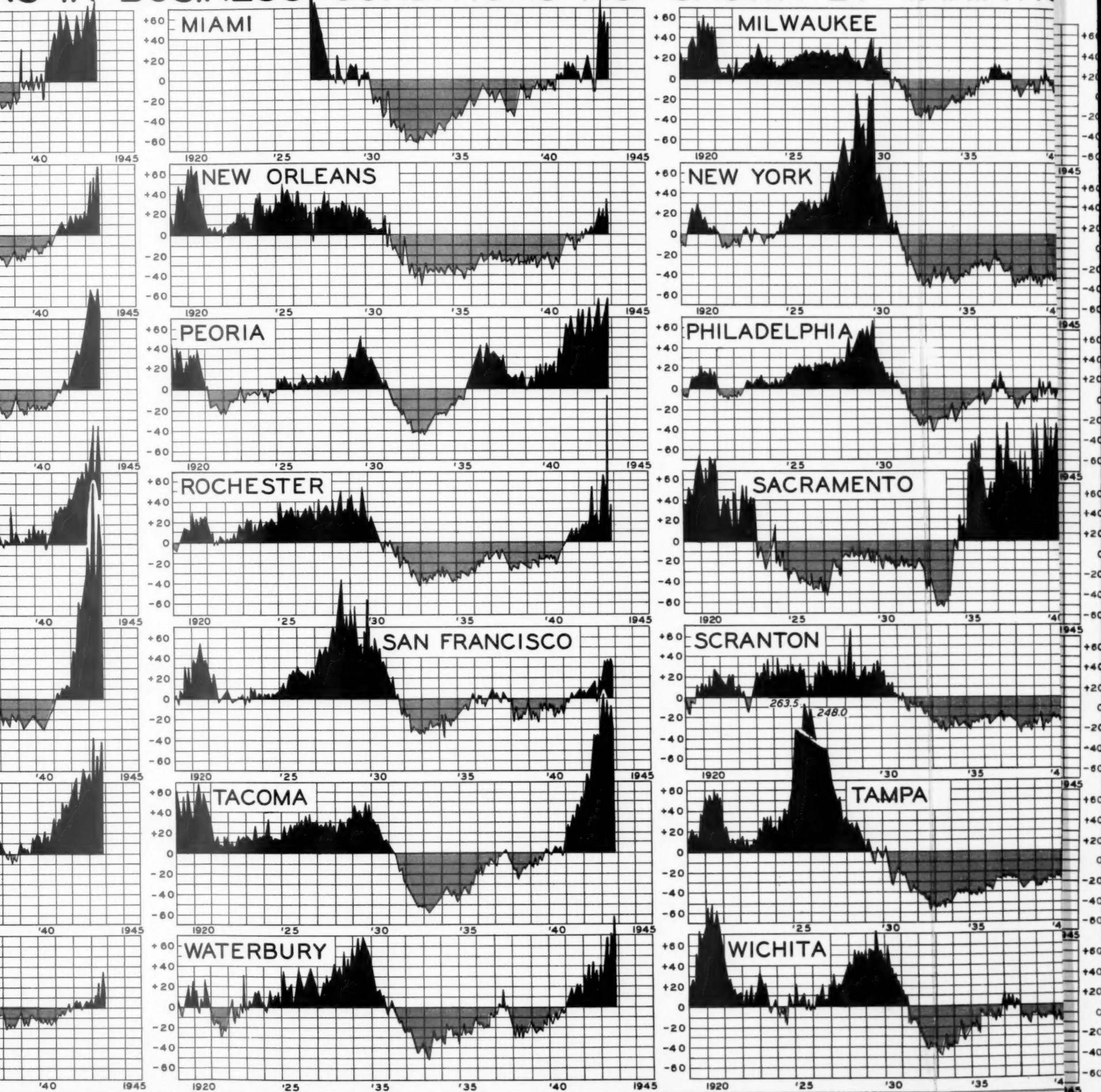
PERCENTAGE DEVIATIONS FROM NORMAL

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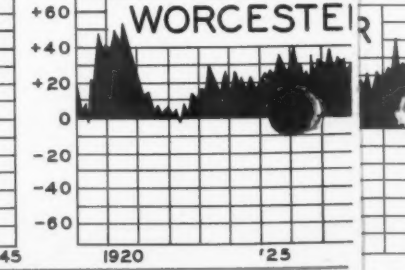
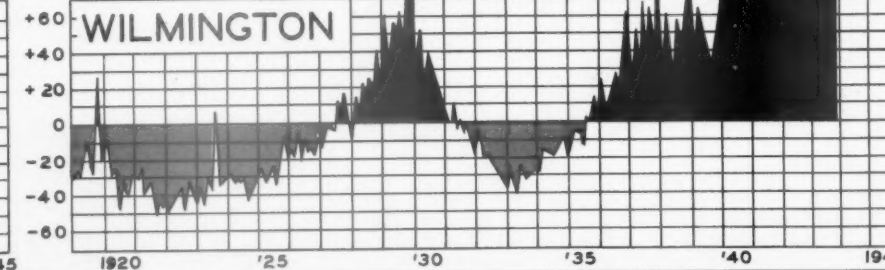
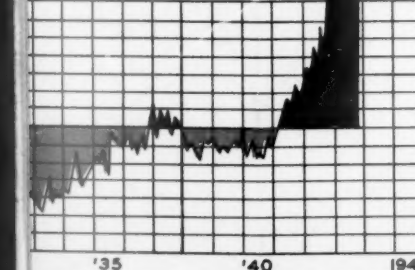
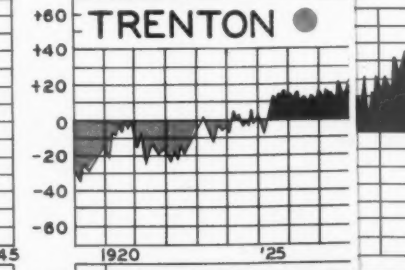
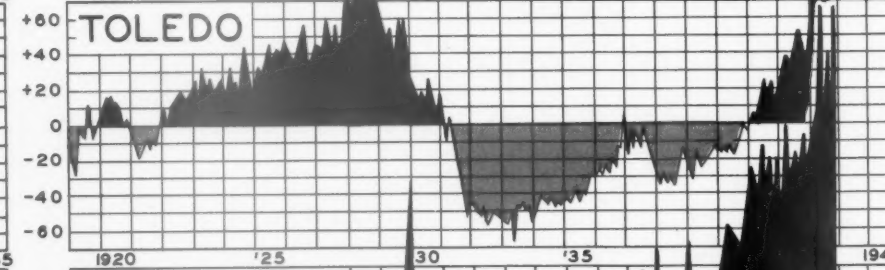
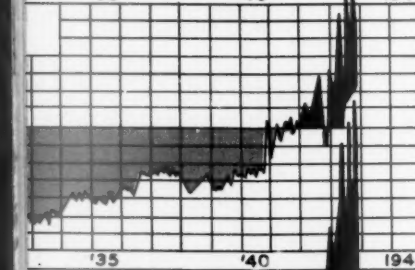
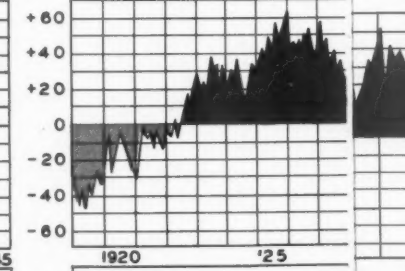
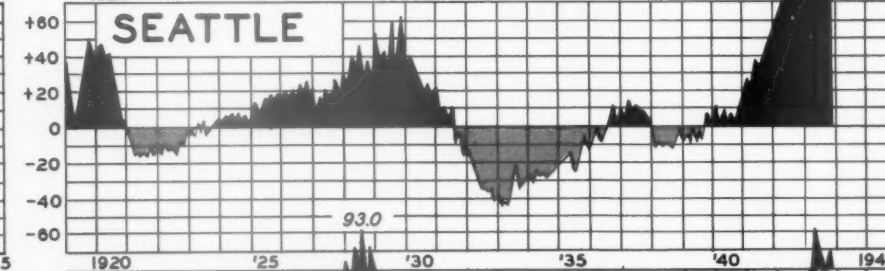
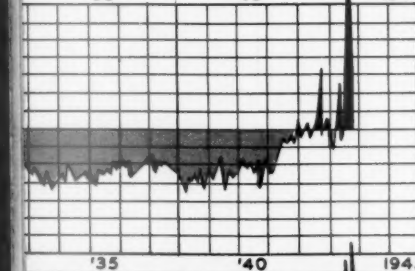
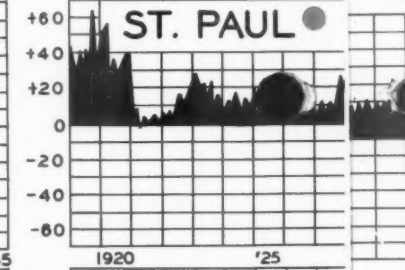
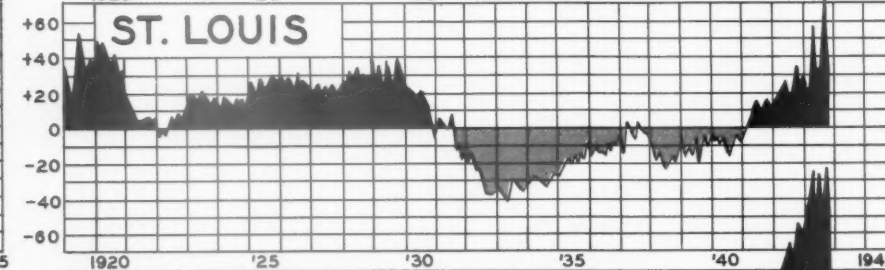
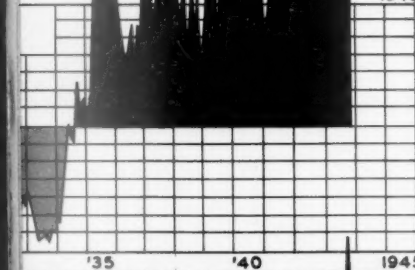
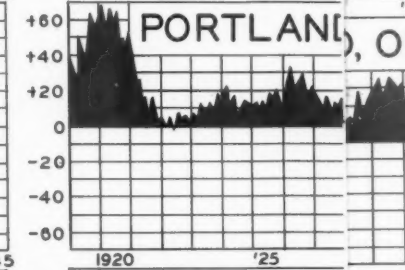
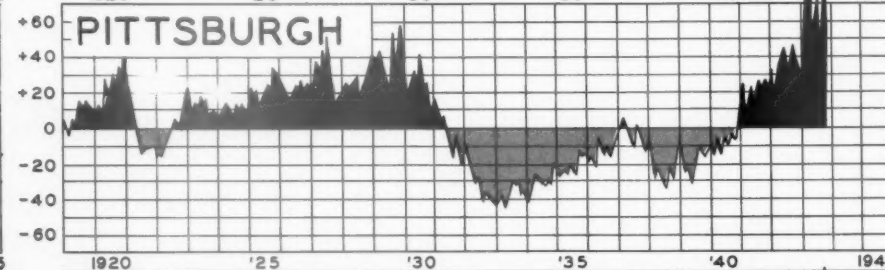
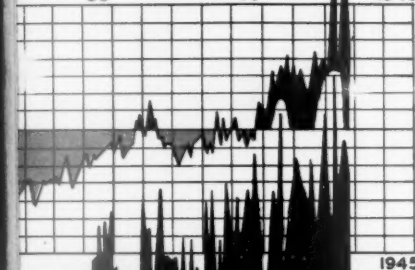
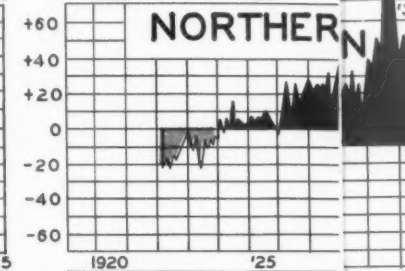
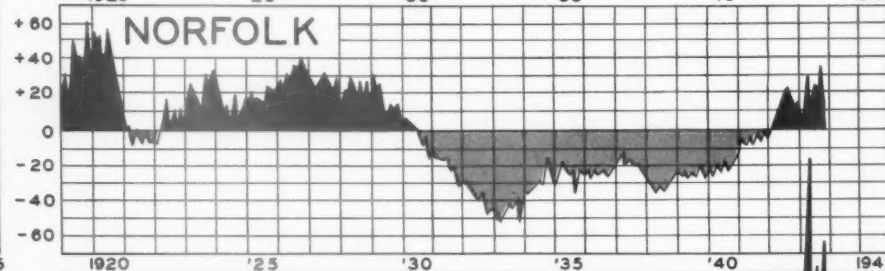
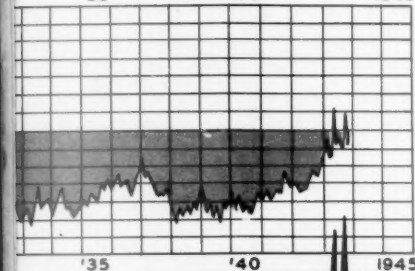
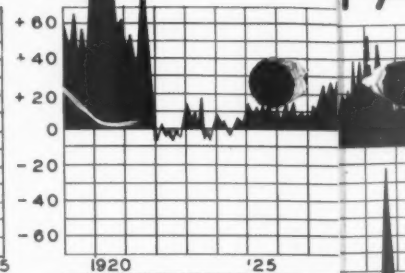
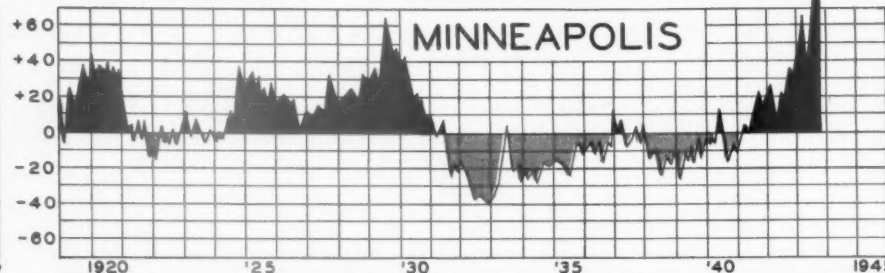
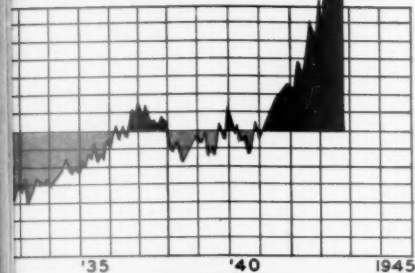
PERCENTAGE DEVIATIONS FROM NORMAL



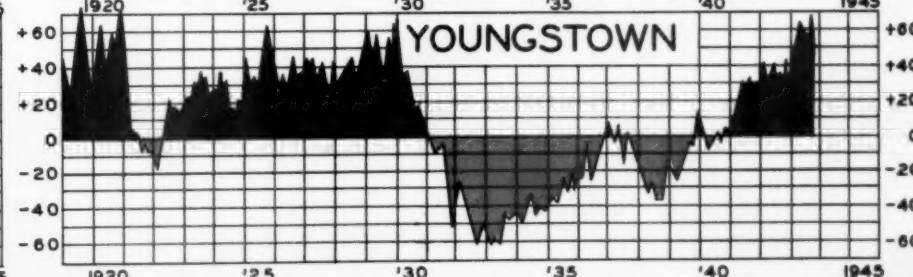
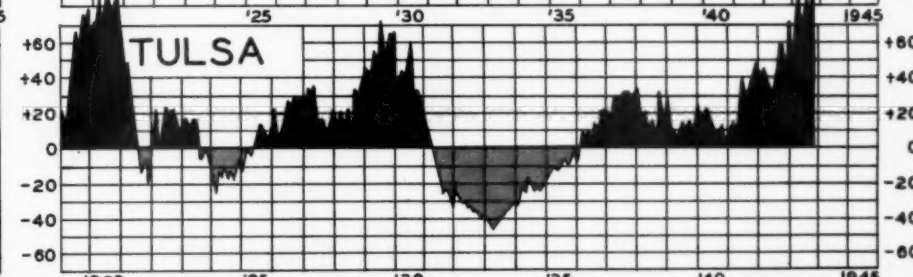
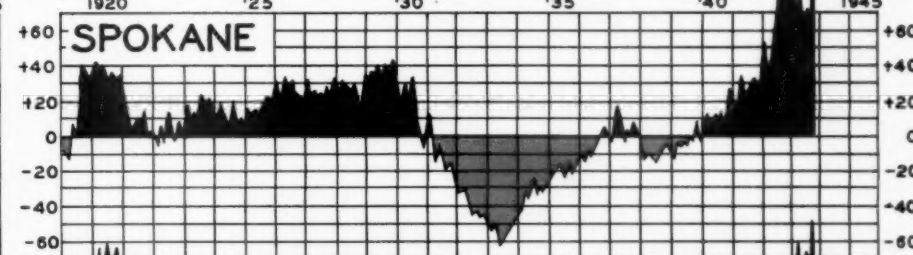
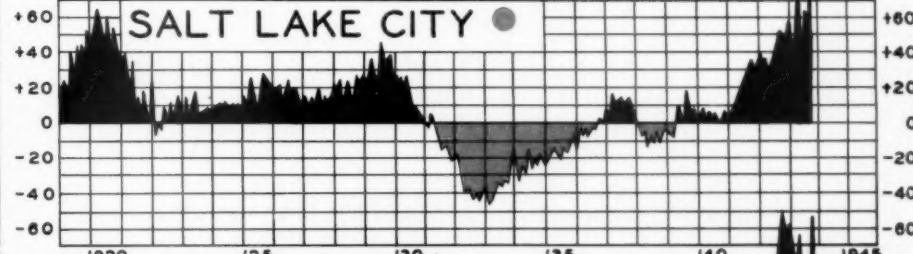
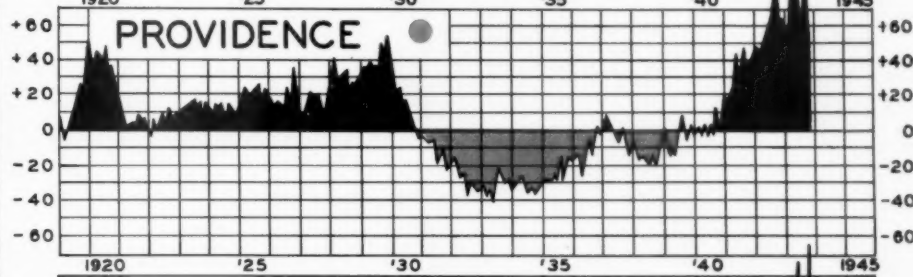
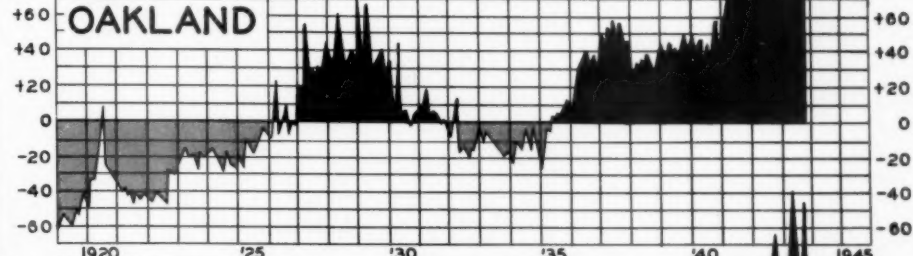
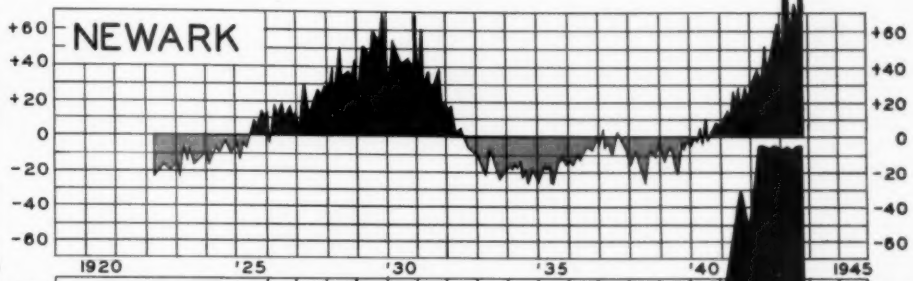
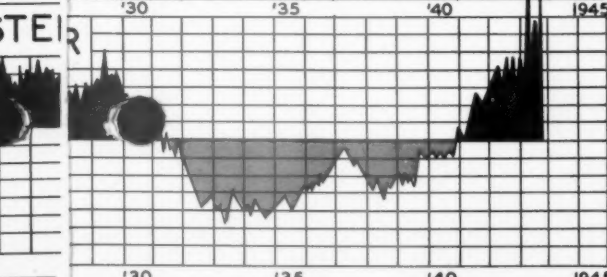
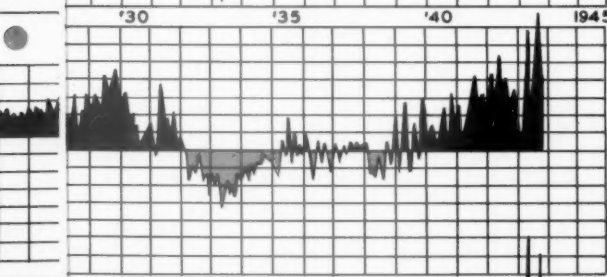
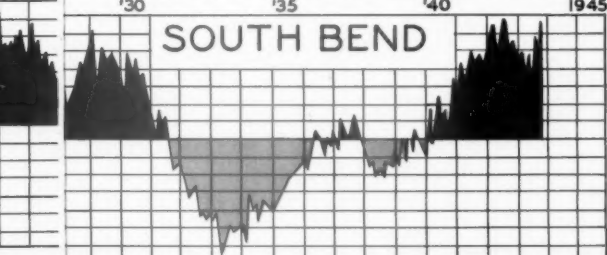
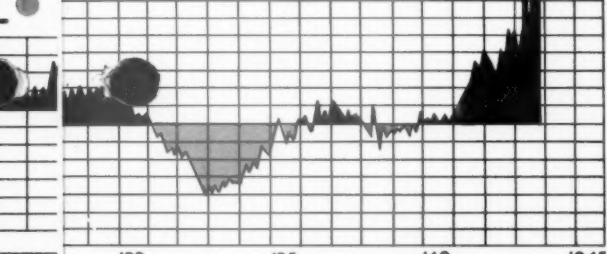
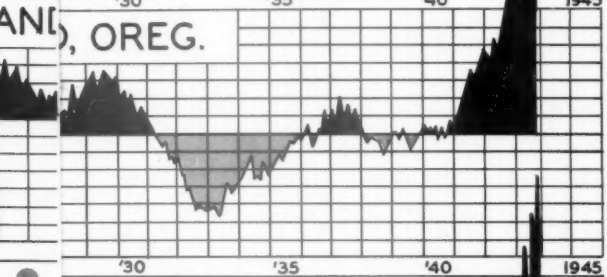
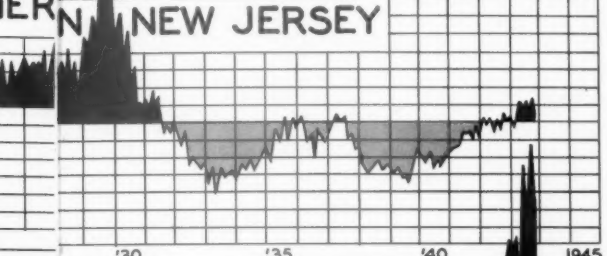
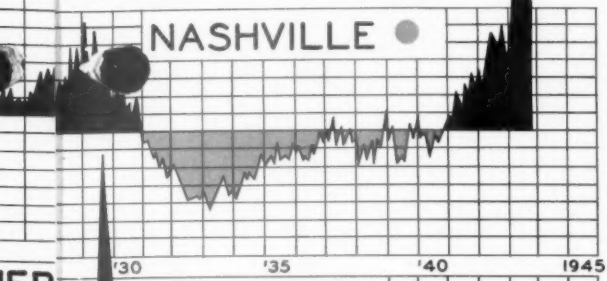
CHANGES IN BUSINESS CONDITIONS AS SHOWN BY VARIATION



VARIATIONS IN CHECK TRANSACTIONS IN PRINCIPAL



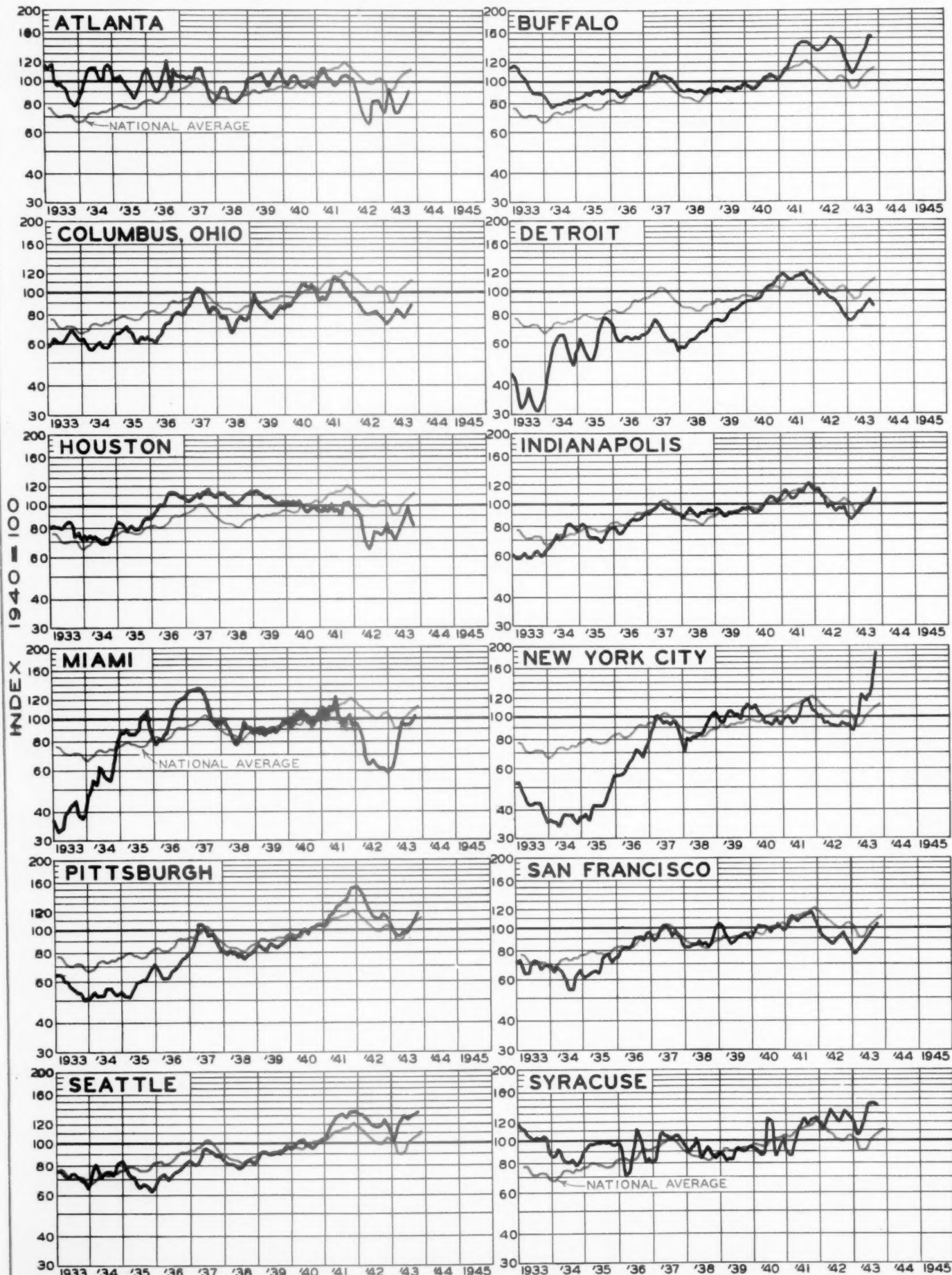
CIPAL CITIES



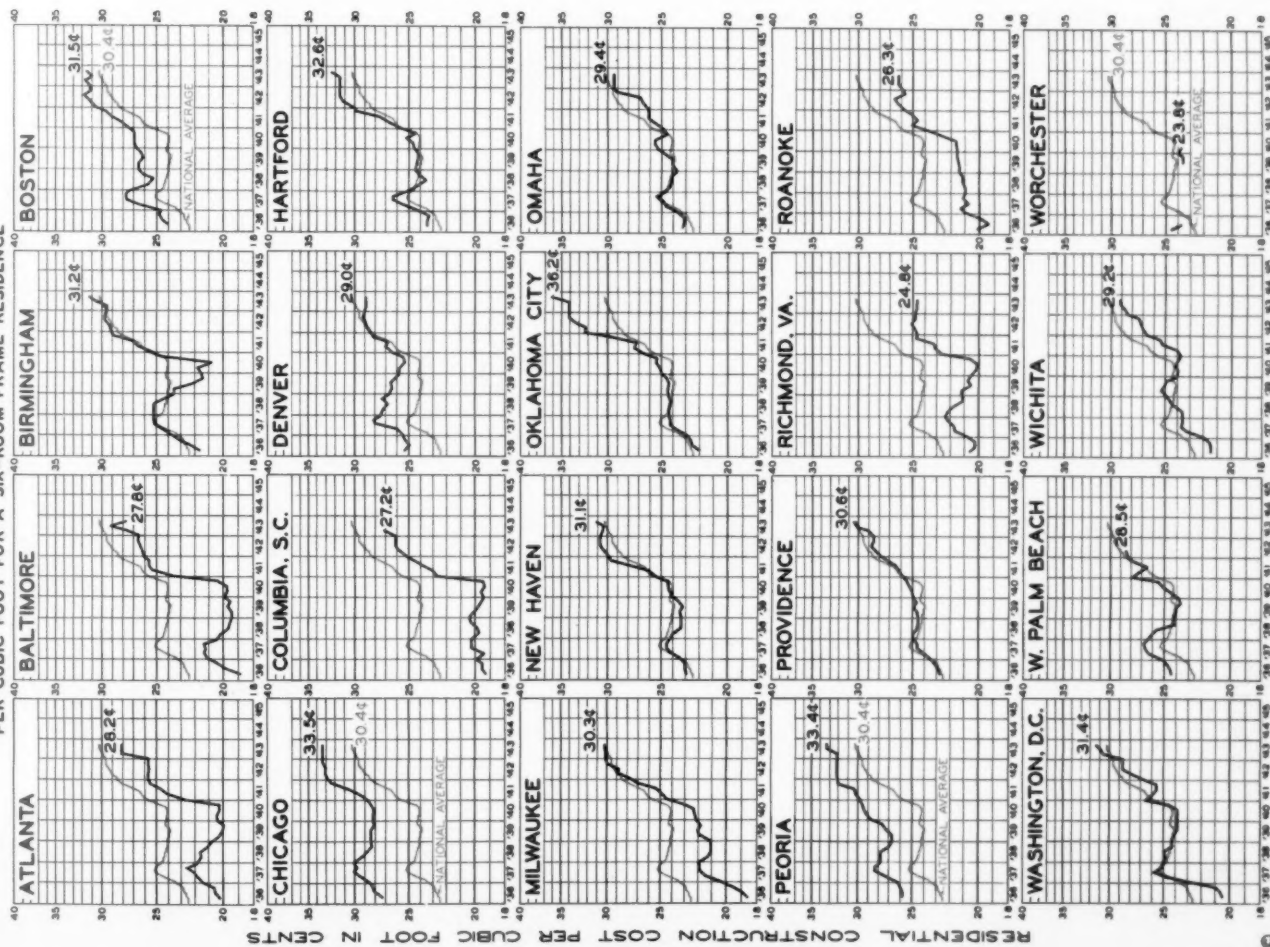
PERCENTAGE DEVIATIONS FROM NORMAL

REAL ESTATE TRANSFERS IN PRINCIPAL CITIES

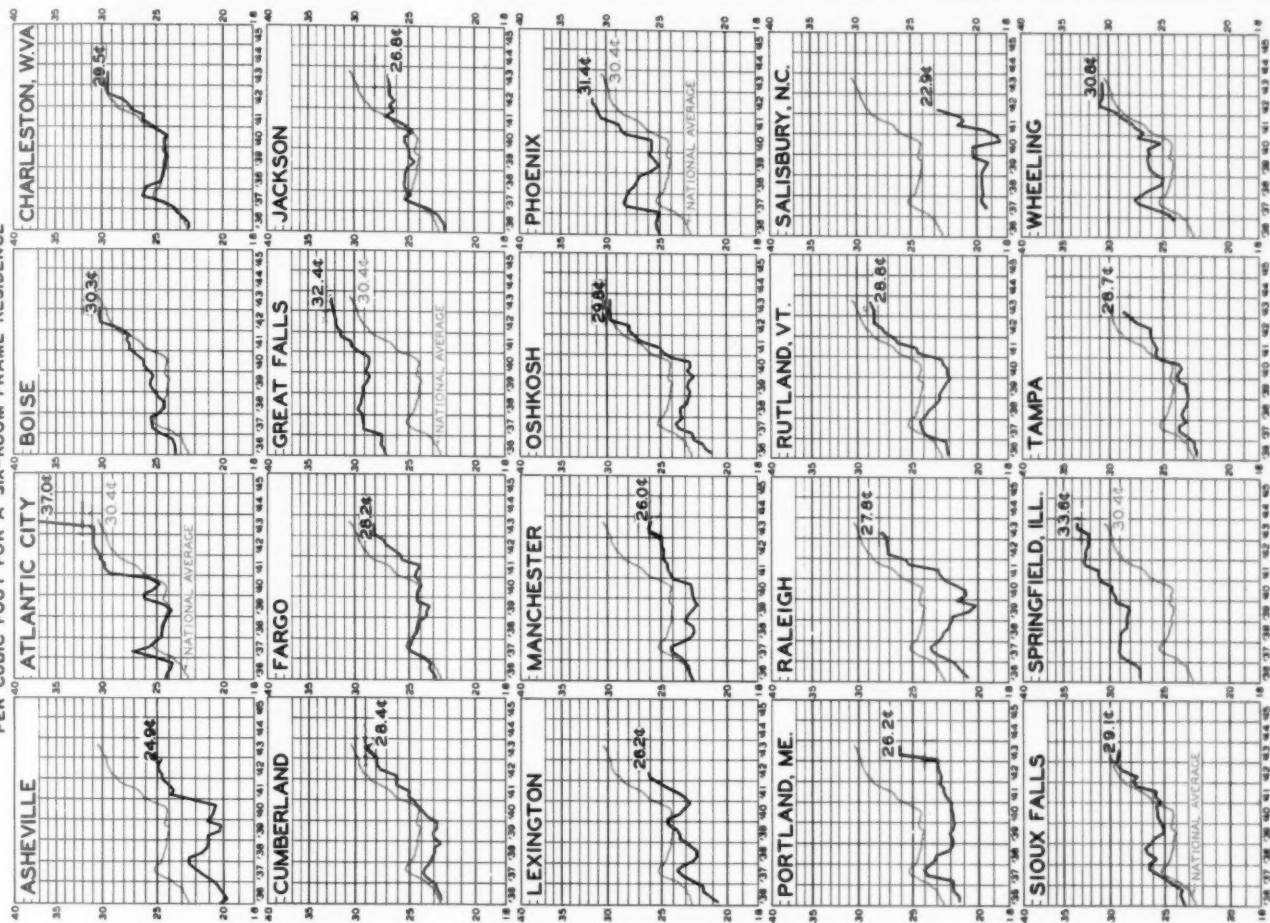
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RESIDENTIAL CONSTRUCTION COSTS PER CUBIC FOOT FOR A SIX-ROOM FRAME RESIDENCE



RESIDENTIAL CONSTRUCTION COSTS PER CUBIC FOOT FOR A SIX-ROOM FRAME RESIDENCE



DWELLING UNITS CONSTRUCTED IN 48 STATES

THE number of new family accommodations built in all nonfarm communities of the 48 states and the District of Columbia is shown in the table below. Cumulative totals and twelve month moving totals for 1942 (blue) and 1943 (red) are given.

THOUSANDS OF UNITS

	MONTHLY			CUMULATIVE			12 MONTH MOVING TOTAL		
	1941	1942	1943	1941	1942	1943	1941	1942	1943
JANUARY	41.2	34.3	49.0	41.2	34.3	49.0	617.7	708.3	508.0
FEBRUARY	43.7	51.5	35.1	84.9	85.8	84.1	624.5	716.1	491.6
MARCH	60.2	52.5	30.6	145.1	138.3	114.7	638.7	708.4	469.7
APRIL	75.2	59.2	28.0	220.3	197.5	142.7	651.0	692.4	438.5
MAY	70.7	60.9	34.2	291.0	258.4	176.9	664.7	682.6	411.8
JUNE	77.2	46.2	22.9	368.2	304.6	199.8	697.9	651.6	388.5
JULY	74.6	27.2	23.3	442.8	331.8	223.1	715.0	604.2	384.6
AUGUST	69.8	27.5	27.0	512.6	359.3	250.1	729.1	561.9	384.1
SEPTEMBER	67.0	44.8	21.2	579.6	404.1	271.3	737.7	539.7	360.5
OCTOBER	56.2	29.9	27.9	635.8	434.0	299.2	727.7	513.4	358.5
NOVEMBER	46.6	29.8		682.4	463.8		729.4	496.6	
DECEMBER	32.8	29.5		715.2	493.3		715.2	493.3	344.0

